

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT**

IN RE:)	
)	
CORPORATION OF SOUTHERN)	Case No. 20-10212-cab
VERMONT COLLEGE, INC.,)	<i>Chapter 7 Case</i>
dba SOUTHERN VERMONT COLLEGE,)	
)	
Debtor.)	

**SUPPLEMENT TO TRUSTEE’S EMERGENCY MOTION FOR ORDER OF
DISMISSAL OR ALTERNATIVELY ABANDONMENT OF PROPERTY**

Now comes Raymond J. Obuchowski, Esq. the Chapter 7 Trustee and respectfully supplements his prior Emergency Motion as follows:

1. Prior to the filing of the Emergency Motion, the Trustee inquired of the Debtor’s Counsel, Buyer’s Counsel and Community Bank’s counsel regarding the Occupancy Agreement and the Buyer’s compliance to provide necessary insurance, and related satisfaction of the Agreements requirements, which had not been satisfied, and verification of insurance by proof of insurance had not been provided. During the pendency of the filing of the Motion, a certificate has been provided unfortunately the Trustee has not been provided sufficient time to review and verify that it meets either the contract terms, or provides the Estate and the Trustee with satisfactory coverage for the Buyer’s intended purposes. Further, upon information and belief, the Buyer, Moshe Perlstein was unavailable today due to religious commitment, although it does appear that David Newell did subsequently receive information as to the provision of the insurance

certificate. Covit-19 waivers and other concerns are still outstanding, although Buyer's counsel, Carl Lisman, was hopeful it could be provided by Saturday.

2. The key parties relative to the case are as follows:

- a. Community National Bank – First mortgage holder on the “Campus” property represented by Christopher Desiderio, Esq. and Alex Edelman, Esq.
- b. Moshe Perlstein of Zichon Chaim, Buyer for the Campus property, and party to the Occupancy Agreement, represented by Carl Lisman, Esq.
- c. Chapter 7 Debtor, represented by Heather Cooper, Esq.
- d. Office of US Trustee, appearing by Lisa Penpraze, Esq.
- e. Fredic Poses, Scheduled Junior Secured Party, represented by Derrel Mason, Esq. and Catherine Dingle, Esq.
- f. SVC Funding, LLC, Scheduled Junior Secured Party represented by Frederick Carter, Esq. and Andrew Currie, Esq.
- g. Bruce Laumesiter represented by Lon McClintock, Esq.

The Trustee has listed all of the primary parties, although the Campus property, being the primary issue as to the Occupancy Agreement, based upon the value and potential sale and the issues of liabilities, relates to parties (a) – (d). Parties (e) and (f) are scheduled subordinate lienholders.

3. The Campus property is under contract with personal property as described in the Purchase and Sale Agreement for \$3,150,000. The scheduled amount due to Community Bank is over \$5 million. The Trustee has been negotiating with the Bank for a carve out for the Estate, which would provide a meaningful distribution for unsecured creditors. Otherwise the property is significantly “underwater” and the first mortgage holder undersecured.

4. The Trustee would request a hearing either later today or early tomorrow morning, and although having been in fairly constant communication with Parties (a)-(d), hasn’t been in communication with counsel for (e)-(g), and is unaware of their availability. As to ability to reach any other parties, due to the holiday weekend, compounded by out of office due to Covid-19, Trustee cannot confirm availability, although a confirmed time for Saturday morning, July 4, 2020, will allow the Trustee to reach out to counsel for (e)-(g).

DATED at Royalton, Vermont this 3rd^d day of July 2020.

**BANKRUPTCY ESTATE OF
CORPORATION OF
SOUTHERN VERMONT
COLLEGE, INC.**

By: /s/ Raymond J. Obuchowski
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